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STATE FOR NEA/ARP, EEB/CIP COMMERCE FOR ITA COBERG

E.O. 12958: DECL: 12/05/2017 TAGS: <u>ECPS</u> <u>ECON</u> <u>ETRD</u> <u>PREL</u> <u>MU</u>

SUBJECT: TELECOMMUNICATIONS CHAIRMAN REAFFIRMS

LIBERALIZATION PLANS

Classified By: Ambassador Gary A. Grappo for Reasons 1.4 (b and d)

- 11. (U) This is an Action Message. Please see paragraph 5.
- 12. (SBU) On December 2, the Ambassador met with Telecommunications Regulatory Authority (TRA) Chairman Mohammed al-Khusaibi, along with Committee Members Naashiah al-Kharusi and Colonel Mohsin al-Hafeedh, to discuss progress toward establishing U.S.-Oman Free Trade Agreement-compliant licensing regulations. Khusaibi stated that "the TRA is ready, on a large scale, to finalize and implement licensing regulations." Kharusi added that the TRA was working with a consultant on reforming its fixed-line infrastructure regulations with a view toward evaluating how Singapore, which also had an incumbent monopoly fixed-line carrier, had implemented its obligations. On submarine cable regulations, Kharusi explained that the TRA was also interested in studying the Singapore model in advance of finalizing its own rules. She stated that the entire package would be ready in eight weeks. The consultant will issue an interim report on December 24, according to Kharusi, by which time TRA would be ready to re-engage USTR.
- 13. (C) Based on these developments, Kharusi requested that USTR prepare another set of questions in response to TRA's September 27 comments. Hafeedh expressed his frustration with the lengthy process. The Colonel stated, "Some of these requirements appear to be far beyond what is in the Agreement," and that, "Some of these questions have been repeated a number of times. Same questions, same answers." Noting that the TRA had other pressing business, Hafeedh expressed his interest in finishing the process as quickly as possible.
- 14. (SBU) On the question of whether the TRA would license international wholesale carriers such as Navlink, Kharusi responded that since Navlink did not intend to serve the public directly, it would not be issued a license. However, she continued that if Navlink's sole purpose was to act as a "contractor" to Nawras, then it would not need to be licensed to do so, as long as Nawras had the right to carry international traffic specified in its license, which it currently does not. Kharusi stated that Nawras was in the process of amending its license to carry such traffic, and that the TRA would not interfere in the provision of wholesale traffic.
- 15. (U) Action Request: Embassy requests that USTR develop a series of follow-on questions to the TRA's September 27 responses in order to facilitate further dialogue after the December holidays. End Action Request. GRAPPO